

STOCKTON RECORD

State lawmakers must develop effective long-term solutions to the state's budget deficit

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California's state Capitol is in crisis mode. With a \$14 billion budget deficit, it should be. The expected budget deficit is being complicated by discussions of inadequate ideas on how to address the situation in the short term and an unwillingness to really fix the problem over the long term.

Gov. Arnold Schwarzenegger - hoping Californians will forget all his promises about how this never would happen again - has proposed a plan that provides a good starting point but ultimately lacks logic.

He wants 2008 to be the year of education but is proposing \$4 billion in cutbacks to schools during the next fiscal year.

Though members of the state Legislature approved a \$7.8 billion prison expansion plan last year, Schwarzenegger proposes releasing up to 22,000 nonviolent prisoners to save money. California's misguided solution - borrowing to offset budget deficits - adds to the state's debt load and perpetuates the boom-and-bust economic cycles Schwarzenegger once said he would prevent.

This has got to end. Californians are tired of having their future mortgaged. Though tax increases remain anathema to most elected officials, hard choices and tough decisions must be made now.

There's pressure to reach a resolution:

- » Proposition 58, approved by voters in 2004, requires the governor to declare a fiscal emergency in the event of a significant budget shortfall. Done.
- » He is further required to propose measures to end the crisis. Done.
- » The state Legislature has 45 days to act on these measures, or its members will be prevented from passing other bills or adjourning. Under way.

For four years, Schwarzenegger has talked his way out of such problems. Now it's time to govern.

State President Pro Tem Don Perata, D-Oakland, and Assembly Speaker Fabian Nuñez, D-Los Angeles, must join him.

Here are some suggestions:

Education

The state's most powerful interest groups are united in opposing a 10 percent cut in kindergarten-through-12th-grade spending.

That would require the Legislature to suspend Proposition 98, which guarantees minimum funding (about 40 percent of the state general fund) for education.

In a seeming contradiction, Schwarzenegger announced in his Jan. 8 State of the State address the creation of intervention teams to institute reforms in the 98 California school districts in which federal No Child Left Behind guidelines aren't being met.

Three of those districts are in San Joaquin County: Stockton, Lodi and Tracy unified.

How this could be paid for is a mystery with a \$14 billion deficit.

» **Our recommendation:** No one wants to cut education funding, but the proposed 10 percent reduction could exact enough pressure on politicians to indicate just how serious they are about solving the budget shortfall.

Prisoner release

Lawmakers need to look seriously at who would be released.

What are the definitions of nonviolent and nonserious offenders? Elsewhere in the budget, proposed cuts to local law enforcement amount to \$70 million.

It doesn't make sense to release 22,000 prisoners but provide local jurisdictions with only limited resources to cope with problems that certainly would create.

» **Our recommendation:** Rethink this idea. It might create a public safety crisis.

State bonds

Schwarzenegger's proposed budget summary lists bond issues totaling \$48.1 billion that voters will decide upon in 2008:

» **Education (K-12):** \$11.6 billion

» **Higher education:** \$12.3 billion

» **Water:** \$11.9 billion

» **High-speed rail:** \$10 billion

» **Judiciary:** \$2 billion

» **Infrastructure:** \$300 million

Some of those measures will generate revenue. Others will be repaid in part by revenue from outside the general fund. Even with the strong argument that California's infrastructure is in disrepair, they need to be reviewed carefully.

» **Our recommendation:** Don't add to the state's debt payments this year.

Time to think

It's not mandated in Proposition 58, but for the next six weeks, lobbyists should be banned from the state Capitol.

Lawmakers should be shielded from the horde of policy peddlers trying to wield narrow influence. They can't do business as usual.

They need to spread responsibility among lawmakers and create cost-cutting working groups.

Legislators must seriously address their responsibilities and obligations to the people - not just the special interests - they represent.

Any continuing dysfunction in state government will allow a crisis of trust and credibility to persist and be very costly to California's residents.